



United States Attorney's Office
District of Columbia

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PRESS RELEASE

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Two Maryland Women Plead Guilty in Connection with Theft from a D.C. Program that Provides Services to the Blind

—They failed to perform a contract with D.C. and embezzled money entrusted to them —

Washington, D.C. - Barbara A. Stevenson-Jones, 70, and her daughter, Pamela Stevenson, 51, both of Dunwood Crossing Drive, Bowie, Maryland, pleaded guilty today before the Honorable James Robertson, United States District Judge, to a violation of 18 U.S.C. § 666(a)(1)(A), Theft Concerning Programs Receiving Federal Funds, in connection with theft from a D.C. government program that assists in the employment of the blind, announced Acting U.S. Attorney Channing D. Phillips, D.C. Inspector General Charles Willoughby, and U.S. Department of Education, Acting Inspector General Mary Mitchelson. Sentencing in the case is scheduled for November 30, 2009.

According to evidence introduced at the plea hearing, from approximately November 1, 2003 until July 13, 2004, Barbara A. Stevenson-Jones and Pamela Stevenson, through their company, The Wellness and Management Company, Inc., had a contract with the District of Columbia to manage the Randolph-Sheppard Vending Facilities Program. This program promotes entrepreneurship and employment for the blind by granting them the opportunity to operate cafeterias, dry cleaners, snack bars, and gift shops located on federal properties and to receive income and retirement benefits from vending machines on federal property. The program is funded by a block grant from the U.S. Department of Education.

The Randolph-Sheppard Program is regulated by the Randolph-Sheppard Act, 20 U.S.C. § 107 *et seq.* Under this Act, each state and the District of Columbia are required to establish a State Licensing Authority ("SLA") to administer the blind vending program. In the District of Columbia, the SLA is the Department of Human Services, Rehabilitation Services Administration, which is authorized to contract with a company to perform accounting and managerial services for the Program. In 2003, the Rehabilitation Services Administration contracted with the Stevenson's company, The Wellness and Management Company, Inc., to administer the Randolph-Sheppard Program in Washington, D.C.

Under the terms of the contract with D.C., the Stevenson's company had a number of responsibilities, including accounting duties, the generation of certain reports and tax forms, and the collection and distribution of funds to the blind vendors - which were to be held in escrow for the benefit of the District's Randolph-Sheppard Vending Facility Program and the blind vendors.

However, shortly after they received the contract, the Stevensons began stealing from the funds they received on the Program's behalf - including monies given to them by the blind vendors for repairs and maintenance of equipment - by writing checks to themselves and to each other, by transferring funds to another bank account they controlled, and by writing checks to their company. Unaware of the embezzlement that was taking place, the District of Columbia terminated the contract with the Stevensons for non-performance and demanded a return of the monies entrusted to them. The Stevensons never returned the money and, ultimately, it was found that the Stevensons stole approximately \$214,026.00 from the program.

At sentencing, each defendant faces up to 10 years incarceration, a fine of \$250,000.00, and an order of restitution. Under the U.S. Sentencing Guidelines, the Stevenson's are likely to receive a sentence of 41-51 months incarceration.

In announcing today's guilty pleas, Acting U.S. Attorney Phillips, D.C. Inspector General Willoughby, and U.S. Department of Education, Acting Inspector General Mitchelson commended the work of Special Agent Derek Savoy of the D.C. Office of the Inspector General, Postal Inspector Steven Sultan, U.S. Postal Inspection Service, and Special Agents Margo Hill and Andrea Todt, of U.S. Department of Education, Office of Inspector General. They also praised the staff of the U.S. Attorney's Office, including Paralegal Carolyn Cody, Paralegal Diane Hayes, Financial Analyst Crystal Boodoo, and Assistant U.S. Attorney Sherri L. Schornstein, who is prosecuting the case.

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